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Vargas Reviews Administration Programs

New Import Rules Issued

Following is a free translation of the new import regulations issued by the Superintendency of Currency & Credit; lists of products mentioned in article IV appear on pages 2 & 3.

I—Exchange resulting from exports must be sold to Banco do Brasil, S.A. or to an authorized bank, at the rates established by the Council of the Superintendency of Currency & Credit in line with the parity declared to the International Monetary Fund. Instructions Nos. 48, 53, 58, 64, 66 and 69 are revoked.

II—Authorized banks shall turn over to the Bank of Brazil the total amount resulting from purchases in accordance with art. I.

III—Payment for imports shall be effected on the official market in accordance with article 1 of law No. 1807 of 7th January, 1953.

IV—For exchange distribution purposes, and in accordance with greater or lesser degree of essentiality, import merchandise shall be classified into five categories. However, the lists of merchandise established in the case of trade agreements with the various countries shall be duly respected.

V—The Exchange Department of the Bank of Brazil shall put up for sale at public auction, on the public financial exchanges of the country, through official brokers, with due observance of the priorities mentioned in law No. 1807, of January 7th, 1953, exchange availabilities which it is able to earmark for imports.

VI—The sale referred to in the preceding article shall be effected by means of promissory exchange sale vouchers (documentos de promessa de venda de câmbio), valid for five working days and issued by the Exchange Board according to distribution within the five categories mentioned in article IV.

VII—These documents may only be legally negotiated by quasegovernmental organizations, recognized trade associations legally established (including rural associations), and commercial or industrial firms, duly registered up to this date as importers.

VIII—A limit of ten thousand dollars, or an equivalent sum, is set upon the amount an applicant may acquire each day, unless he proves to the satisfaction of the Council of the Superintendency of Currency and Credit that he needs a higher quota.

IX—Licences will no longer be issued to applicants acquiring documents for imports of raw materials or merchandise in quantities greater than their needs for three-months consumption, or to a value of more than ten times the value of their registered capital.

X—The day after acquisition, the party obtaining the respective promissory exchange sale voucher shall deposit in the Bank of Brazil the amount for which he has acquired coverage, and on presentation of the receipt covering such deposit and after checking of the price of the merchandise to be imported, shall be entitled to obtain the import licence to be issued by the Export and Import Board, which shall make a note on the respective document as to the description of the merchandise.

XI—Against delivery of the promissory exchange sale voucher and one copy of the import licence, exchange shall be sold to the purchaser at the official rate by any authorized bank, for the amount licenced, the purchaser being entitled to refund of unused balance.

XII—The Bank of Brazil and banks purchasing export exchange shall pay the exporters, at the time of payment of the respective exchange contract, in addition to the equivalent at the official exchange rate, a bonus of 5 cruzeiros per dollar, or the equivalent in other currency, in the case of coffee exchange, and 10 cruzeiros in the case of the other products, and these amounts shall be debited to "Export Purchase & Sale A/c."

XIII—The amounts deposited in the Bank of Brazil, as referred to in article X, shall be placed to the credit of the "Export Products Purchase and Sale Account," and shall be intended to meet the provisions of article XII and to enable regularization of exchange operations, as well as the long-term low-interest financing of modernization of methods of agricultural production and rehabilitation of Brazilian farming, and also the purchase of farming and stock-breeding products, seeds, fertilizers, insecticides, and farm machinery and equipment.

XIV — Import licences for merchandise in the first three categories shall be granted when there is proven bank financing in foreign currencies, for a minimum average period of one year, on the expiration of which it shall be paid by the importer, in accordance with the process stipulated in this instruction, and under registration of such operations for all effects, in the Exchange Control Department of the Bank of Brazil, in which a document of commitment ("termo de responsabilidade") should be signed, after hearing of the Council of Superintendency of Currency & Credit.

XV — Sale of exchange for coverage of import licences issued prior to this Instruction, shall still be dependent on the distribution to be given by the Exchange Dept., in line with availabilities.

XVI—The rules stipulated in this Instruction are not applicable to the entry of capital in the form of imports of production goods without exchange cover, which are merely subject in each case to authorization from the Superintendency of Currency and Credit.

Successful Results Seen

President Getúlio Vargas, in a speech to the nation early in October, after signing the legislation establishing "Petrobrás", reported favorable results achieved in 23 sectors of activity by the present Brazilian administration.

Pointing out that the petroleum initiative would ensure not only development of the oil industry but also reduce decisively depletion of exchange reserves, the President stressed technical progress already obtained in Brazil thru' government initiative in a number of economic and social fields.

Among major achievements of the past 3 years listed by the chief executive were: the balancing of the budget, with substantial balances, solution of the backlog problem, the coal mining and industrialization program, the expansion of Volta Redonda, the speeding up of the Paulo Afonso hydroelectric project, boosting of iron ore production, doubling of the capacity of the Mataripe petroleum refinery, intensification of work on the Cubatão refinery, remodeling of the National Motor Factory for production of agricultural equipment, establishment of the Rural Social Service, the refitting of the Brazilian ports, the Amazon Valorization Fund, and the expansion of the National Primary Education Fund.

Petrobrás

A free translation of Law No. 2004 of October 3, 1953, covering the establishment, operation and attributes of "Petróleo Brasileiro, S.A." (Petrobrás), appears on pages 4-7 of this issue.

Import Merchandise Classified into Five Categories

Currency & Credit Superintendency Lists Articles in Each Classification

Categories are Subject to Periodical Modification, in Line with Situation

The Superintendency of Currency & Credit of Brazil has issued a series of lists of products and merchandise, corresponding to the categories mentioned in article four of the new import and export exchange regulations, translation of which appears on page 1 of this issue of the *Brazilian Bulletin*.

The lists for categories one through four are detailed, while category five, it is pointed out, is applicable to all products not specifically included in the other four categories.

Exchange assigned to the five categories, in the auction sales held in the various Brazilian centers, is distinguished by different colors of exchange vouchers, it is explained.

Minister of Finance Oswaldo Aranha recently clarified, in an interview with the Brazilian press, that the items assigned to each category would be subject to revision, in accordance with the requirements of the situation, as time goes on.

A free English translation of the lists of products, as published in the Brazilian press, is given beneath:

CATEGORY 1

Breeding animals, with certain exceptions; day-old chicks, ducklings, turkey poults, etc.; ground or pulverized bones (meal) for manufacture of fertilizers; guano; natural fertilizers of animal origin, not specified, with certain exceptions; dried or salted calf stomachs for manufacture of ferment; sheep's bladders for anaesthetic apparatus; pig bladders for anaesthetic apparatus; liquorice; "altein"; valerian; "favas de Santa Inacia"; coca leaves; myrtle, elder-leaves ("sabugueiro)"; juniper; other medicinal plants or parts of plants; live plants for agriculture; seeds for planting; opium; lump sulphur, non-refined; natural sodium nitrate (Chile saltpeter); natural calcium phosphates (tricalcium phosphates), including phosphatic chalk, unground; natural mineral fetrilizers, not specified; cod-liver oil.

Coal; crude petroleum; aviation gasoline; kerosene; signal oil; gas oil; diesel oil; fuel oil.

Whole powered dried milk, not modified and not acidified, with the following composition: fats: 26 to 28%; proteins, 25.5 to 27.5%; lactose, 37.5 to 39%, mineral salts, 5 to 7%; water 5 to 10%; incubating eggs; rye sprouts; potatoes for planting.

Crude or impure iodine; sublimed, precipitated sulphur; radioactive chemical elements and their isotopes and compounds; chloroform; carbon tetrachloride; bromoform; tri-chlor-ethylene; benzene hexachloride; iodoform; DDT; chloral and chloral hydrate; bromocamphor; guaiacol; chloracetic acid; malonic acid; lactic acid for pharmaceutical or analytical purposes; mandelic acid; sulfasalicylic acid; benzyl benzoate; phenyl salicylate; methyl sulphate; phosphoric ethers; sodium benzoate; lactates; tartar emetic; sodium citrates; arsenic compounds (sodium cacodylate, sodium methylarsenate); lecithins; procaine (nocovaine); urea; saccharine and guanidines; sulpha-compounds and their derivatives; iso-nicotinic acid hydrazide; chloro-phenols; iethyol; amido-pyrine and its salts; glucose (dextrose); enzymes, with certain exceptions; lactones and lactames; alkaloids, and their salts and derivatives; except mixed products ("preparacoes dosadas"); serums, vaccines and other bacterial preparations, in any form; vitamins, and their salts and derivatives; antibiotics, and their derivatives and preparations, with certain exceptions; natural and synthetic hormones, organo-therapeutical substances and preparations of any type; sulpha-compounds and derivatives and preparations, including injectables.

Catgut, hair, aluminum, copper, thread, linen, silk and similar products for sutures and rubber or ordinary metal drainage tubes, in ampules or tubes containing antiseptic liquids; dental cement and other dental products; silver wire (surgical dressings); slides (laminarias") in glass tubes containing antiseptic liquid; X-ray preparations.

Manufactured fertilizers; artificial gut, fine gauge, 16 to 24 mm in diameter; insecticides, fungicides and similar products, for farming; creosote.

Products for analytical, scientific and microscopic uses; electric machines and equipment, when involved in hydro-electric developments; radio receiving and transmitting sets for airplanes; radio equipment for aviation and aerial navigation; medical and radiological electrical equipment, except electro-dental equipment and industrial "X-ray" equipment.

Airplane motors, including jet engines, parts and accessories; turbines and electric generators and similar items, linked to hydraulic motors; windmills.

Agricultural machinery and implements for preparing and cultivating the soil; agricultural machines and instruments for harvesting, husking and flailing; machines and equipment for milking, skimming, and other machinery for the milk industry; machinery and equipment for apiaries (bee-keeping), and poultry farming.

Equipment, machinery and apparatus for drilling and extraction of petroleum, coal and mineral raw materials; machinery and equipment for petroleum producing and refining; tractors, including steam tractors; pulverizing, powder-blowing and similar equipment for agriculture; aircraft accessories and parts; barbed wire; iron and steel galvanized clips for fences. Plates and sheets of other material for X-ray equipment; roll-film for X-ray purposes; equipment, instruments and other objects for medical, surgical, dental and veterinary use; surgical needles, except ordinary injection needles; hearing aids; orthopedic apparatus (including surgical belts).

Books with raised Braille characters for the blind; maps, books, newspapers, magazines and similar publications on technical, scientific, religious, instructive or literary subjects, in foreign languages, including books printed in Portugal in Portuguese, by Portuguese or Brazilian authors.

CATEGORY 2

Boar bristles; cantharides; glands and organs of animals, fresh, frozen, or refrigerated, not including dried products or extracts; sheep's intestines; cow bladders; liver meal for balanced rations.

Solid synthetic rubber (elastomers); liquid synthetic rubber (dry weight); crude cork; slats for pencil manufacture; "corozo", "jarina" or vegetal ivory; wood pulp and cellulose, sulphite; wood pulp and cellulose, non-sulphite; gum tragacanth; gum arabic.

Viterite (natural barium carbonate); chalk (natural calcium carbonate), crude, in lumps, blocks or powder, not prepared; barite or baritine (natural barium sulphate); natural arsenic sulphides (realgar); natural cryolite (double sodium and aluminum fluoride); borax, tincal or trincal (natural sodium borate); natural asphalt and bitumen; kieselguhr, fossil meals, diatomite, infusorial earth; similar silicic earths, calcined or otherwise — fine types, with a mesh number above 200 squares per inch; asbestos, crude, washed or granulated.

Copper ores; blende or other zinc ores; cassiterite and other tin ores; copper scrap, filings, snippings and fragments; zinc scrap, filings, snippings and fragments; nickel scrap, filings, snippings and fragments; bulk fine silver for industrial purposes, with the exception of jewelry; bulk palladium for industrial purposes, except jewelry; copper ingots, blocks, or slabs, electrolytic, or cast; aluminum ingots, blocks or slabs; lead ingots, blocks or slabs; zinc ingots, blocks or slabs; nickel and nickel alloys (worked or otherwise).

Palm oil; gasoline, except class 8.82.20; artificial turpentine or turpentine of mineral origin; lubricating oils and greases, including mixtures with animal or vegetal lubricants; vaseline (white or yellow mineral grease); crude or impure paraffin and refined or purified paraffin; mineral or fossil waxes and resins; asphalt dissolved in naphtha (malte and pisasphalt); asphalt bulk (mixture of asphalt with asbestos).

Crude butane; crude propane.

Codfish; unhusked oats; husked oats for industrialization; Pablum, compound cereal for dietetic purposes; tankage ("carnarinha"); fish meal.

Bromine; pure iodine, sublimed, bi-sublimed or re-sublimed; pure sulphur, in sticks or ground; selenium, tellurium; carbonates and metalloids of the carbon or nitrogen group; nitrogen; argon; common, ordinary gases, except hydrogen, oxygen and chlorine; rare gases, not specified; alkaline and alkaline-earth metals; other metals and metalloids; acids and anhydrides, with the exception of classes 5.12.00 and 5.12.12; metal hydroxides, oxides and peroxides, except classes 5.13.00, 5.13.02, 5.13.34, 5.13.36, and 5.13.62; sulphites, sulphates, persulphates and alums; sulphites, hydrosulphites and hyposulphites, except classes 5.14.30, 5.14.33, 5.14.61, (and in the case of class 5.14.37 —aluminum sulphate—only the type containing no iron); halogenate salts, except for classes 5.15.11, 5.15.40, 5.15.43 and 5.15.61; metallic acid salts; nitrates, nitrites and carbonates; other mineral salts, except class 5.18.70; precious metals in colloidal form; metal amalgams, including precious metals; phosphites; carbide, with certain exceptions; hydrocarbides and their halogen, sulfone and nitro derivatives, except styrene monamer and certain other classes; alcohols, except 5.31.00, 5.31.01, 5.31.05, 5.31.20/25; aldehydes, ketones, quinones and halogen, sulphone and nitro derivatives, with certain exceptions; di-ethylene glycol; eucalyptol; cyneol; saturated acyclic mono-acids, with certain exceptions; acyclic non-saturated mono-acids; maleic acids; maleic anhydride; benzoic and cinnamic acids; gluconic acid; salicylic acid; gallic and anysic acids; naphthenic and sulphonaphthenic acids; methyl salicylate; organo-inorganic compounds, except those in classes 5.36.30, 5.36.40/49, 5.36.54, 5.36.62, 5.36.98 and 5.36.95; amines salts and halogen sulphone and nitro derivatives; amilocain and amino-cresols; di-methyl-glyoxine; benzyl and phenyl-hydrazine halophenate, phenols and phenol-alcohols; heterocyclic compounds, with certain exceptions; chemically pure carbohydrates, with certain exceptions.

Ferment; synthetic tanning products; dyestuffs derived from coal tar, natural indigo and artificial lacquers; detergents and emulsives; preparations for lixiviation, with soap content or otherwise; urea-formaldehyde (Polopas) in powder form or in lumps; melamine-formaldehyde (Melmac) in powder or in lumps; synthetic resins (in powder, lumps, granules or liquid) and their derivatives and other products obtained by polimerization (except polistyrene); polivinyl-butyral sheets for manufacturing safety glass; casein and caseinates (except glue); fibrin; pine oil; natural turpentine; colophone; vegetal tar; vegetal tar oils; creosote oils; derivatives of colophone and of resinous dry pitches; vegetal pitches of all kinds; mineral tar; paraffinic tar oils and derivatives; crude ammonia, distilled from natural gas; activated fossil earth; activated clay; yeasts and ferments for the textile industry; preparations for textile finishing; fluxes for metal welding; refills and grenades for fire-extinguishing purposes; ferro-cerium and other pyro-phosphoric alloys; accelerators for the vulcanization of rubber (vulcanites, vulcanol, vulcator, and vulcazol); ester gums, chlorated rubber and other products derived from natural resins; rust removers for boilers (only for railroads); plastifiers; peptones, peptonates and protein materials and derivatives; cellulose acetate and nitrate, in solution (industrial colloids); artificial and colloidal graphite; bone black; crude or distilled tall oil.

Generators, motors, transformers and similar items, when linked in with a coal-powered thermal installation; insulating parts for electrical machinery, equipment and installations, except insulators, and including separators of wood or rubber, micro-porous, for electric batteries; steam-generating boilers (coal-heated); parts and accessories for earth-moving, road-building and road-maintenance machines; rollers and balls for bearings; molds for the tire and inner-tube industry; parts, and accessories not included in a special machinery and equipment classification; parts and accessories for locomotives; parts and accessories for other rail vehicles, except wheels for freight cars.

Tubes and hoses, flexible (for blood

and medical serum transfusions and for fire-extinction); drains, catheters, and such like, for medicine, surgery and hygiene.

Graphite crucibles; electrical carbons (electrodes, brushes, parts for batteries etc); discs or rods for filters, with or without porcelain preparation.

Unplated, plain, smooth iron and steel sheets, including silicon (magnetic) sheets; plated smooth iron and steel sheets; plated, corrugated, galvanized or zinc-plated iron and steel plates for making man-holes; zinc tubes, pipes and accessories; nickel tubes, pipes and accessories; steel wire and thread for loom-parts; zinc thread and wire; rails and other articles; tungsten thread, wire and rods; molybdenum thread, wire, rods and other articles; iron and steel rails; rail-fixing accessories except "tirefonds", nails and screws, other cast or forged zinc articles; other cast or forged nickel articles; iron and steel rope; spiral iron and steel springs; cylinders and such-like equipment for high-pressure compressed gases; manufactured nickel and tungsten articles not classified; cotton or linen hoses with inner rubber coating, for fire-fighting; tubes for hoses and similar, with or without metal accessories, of hemp or linen, from 3 inches in diameter upwards; elastic stockings for leg affections; textile printing dyes, of the "ari-dye" and "sher-dye" types.

NOTE—Exchange for imports of ordinary gasoline, lubricating oils, and crude butane and propane will not be put up for auction until November 30, 1953.

CATEGORY 3

Calf-hides; rabbit-skins with hair; box calf; 28 to 36 mm white or bleached hog bristles; linen or linseed seeds; crude "hevea" rubber; sheet tobacco for cigar wrappings; chemical straw, fiber and rag pulp; shellac.

Iron and steel bars and rods (barras e vergalhoes); stainless steel bars and rods; stainless steel strips; brass and other copper alloys, in ingots, blocks and slabs; copper bars and rods; copper angles, angle-bars, sections and similar; copper strip; brass and other copper alloys, in worked form; aluminum and aluminum alloy bars and rods; special lead ingots, blocks and slabs for type and bearings; lead and lead alloy ingots, blocks and slabs; zinc and zinc alloys, in worked form; tin and tin alloys, not worked (in ingots and slabs).

Merino wool, 64's upwards, uncleaned; Lincoln and Caracu wool for manufacture of carpets, lining, felt and plush, uncleaned; Merino wool, 64's upwards, washed, in tops; washed Lincoln and Caracu wools for manufacturing carpets, linings, felt and plush; sheeps wool for textile manufacturing, 56 gauge upwards; special goathair or camelhair thread, types higher than 18 gauge, for manufacturing of linings, felts and plush; goathair or camelhair threads, gauge 56 upwards, for textile manufacture; cotton, 38 mm fiber upwards (Egyptian or Peruvian types); bleached, dyed or mercerized cotton thread for textile manufacturing, 140 gauge upwards, metal-treated; crude linen; crude linen thread, bleached or dyed, for textile manufacture, gauge above 20; crude hemp; "pita-fiber"; nylon thread for manufacturing filter-cloths for oil-presses, brushes and for sewing the bands of spindles for spinning machines, nylon for hose being excluded; nylon waste for manufacturing endless felt for the paper industry; lignite or turf coke, etc.

Unhusked barley (for malting); roasted malt or barley; olive oil.

Helium and neon; zinc oxide (zinc white); potassium chlorate; sodium silicate; styrene monomer; natural and synthetic camphor; di-chloro-di-ethyl sulphonated and di-ethyl nitrated ethers; anethol; di-benzyl ether; phthalic acids; malic and tartaric acids; acetic esters, with certain exceptions; di-butyl-phthalate; di-methyl phthalate; glycol ethylene stearate; cinnamic esters; oxalic esters; organic acid esters, not specified; sulphuric esters, with certain exceptions; carbonic esters, alginates, ethanolamines; titanium, ultramar, lithopone and other whites; Paris green or Schweinfurth green; cellulose acetate; celluloid sheets, tubes and not-specified; gelatine; teze-film; turpentine (essences; pine essences and similar; crude terpineol; activated carbon.

Communications equipment; parts and accessories for radio and television, except valves and tubes; radar and similar equipment; telegraphic equipment, parts and accessories; valves and tubes for electrical machines and equipment; industrial X-ray equipment; starting and ignition equipment for I. C. engines; electric lighting and signalling equipment for motor vehicles, airplanes, and ships, excluding automobiles; portable electro-mechanical tools; electric power metering and controlling equipment; electric signalling and safety devices; arc lamps for cinematographic uses, and special types not specified; tubes, connections and boxes for valves, of any insulating material except rubber and plastics.

Ovens, furnaces and similar articles, except refractories, for industrial use; electric current controlling, regulating and distributing equipment; steam boilers and generators and boilerhouse equipment; steam engines, including steam tractors, locomotives and steam turbines; I.C. engines, diesel, and semi-diesel, except aero-engines; hydraulic motors, including regulators; electric generators and similar, coupled to windmills; industrial vehicles (industrial tractors, lift trucks and similar items); manual hoists, differential hoists and cranes of any type, not specified; machines and equipment for earth-moving, road building and road maintenance; machinery for grading, mixing and processing stone, earth, coal and similar solid materials; pumps for liquids; machinery and equipment for preparing textile materials, for spinning, twisting and spooling; machinery and equipment for finishing of thread, textiles and manufactures; textile machine combs; spindles and similar items; knitting needles; felt-making machinery in parts or forms; machinery and equipment for the skin and leather, and leather products industry (except sewing machines); machinery and equipment for the paper, cardboard and connected industries; machinery and equipment for the rubber industry; machine-tools and similar machinery for metal working (excluding those driven by air); machinery and equipment for the glass industry; machinery and equipment for processing cereals and agricultural products; machinery and equipment for the preparation of meat; printing equipment and machinery; refrigeration parts and accessories; industrial fans, blowers and similar items; air and vacuum pumps, air and gas compressors; equipment for pulverization and dispersion of liquids or powders and those of the sand-blast type; pneumatic tools, including machine tools; metal and glass molds; plastics molds; metallized asbestos gaskets and the like; industrial sewing machines; needles for sewing machines; other machine-tools, except pneumatic-powered, for working cork, bone, ebonite and vulcanite, bakelite and other materials suitable for cutting; other machine-tools, except pneumatic-powered types, for cold-working of stone and glass; non-electric signalling equipment for railroads.

Locomotives; self-powered freight cars and passenger cars; non-powered passenger cars; non-powered freight and supply cars; ambulances; cars fitted with tanks, pumps, winches, ladders, brooms, or other equipment; powered chassis for omnibusses, trucks and ambulances; parts for automobiles, trucks and omnibusses, including jeep-type knocked-down vehicles, with four-wheel drive, for farm use, and parts and accessories for their assembly; airplanes; ships and boats, over 250 tons; motor ships and boats under 250 tons; dredges; floating cranes; special craft (including dry docks); parts and accessories for any type of craft.

Synthetic round-section rubber thread, covered or otherwise; tires for earth-moving, road-building and road maintenance equipment, for farm tractors, industrial vehicles and airplanes; inner tubes for certain other items.

Newsprint; filterpaper; filtering cellulose; tissue paper for wrapping fruit, up to 20 grams per square meter; machine-drawing paper; mimeograph stencil paper; cut filter-paper; paper strip (except that for cigarets); "jacquard" cards for textile machines; models for the study of anatomy, natural history or other sciences, arts and trades, with or without plaster or hair.

Copper sheets and plates; aluminum sheets and plates; lead sheets and plates; stainless steel tubes; iron and steel tubes more than two inches in diameter; copper tubes not above ½ inch in diameter; seamless iron or steel tubes; copper thread or wire; aluminum or copper cable; wire screen in aluminum parts; phosphor-bronze screen; stainless steel screws; special precision types (for eyewear, etc.); cadmium-plated screws used in radio-assembly plants; hand tools.

Cotton strip for manufacturing typewriter ribbons; professional fishing nets; optical and observational apparatus and instruments; cinema and photographic equipment and instruments, with certain exceptions; glass sheets and plates; plates and sheets of other materials; sensitized photographic paper; photographic developers and fixers; printed and virgin movie film; surveying, hydrographic, navigational, meteorological, hydrological and geophysical equipment and instruments; calculating, drawing, measuring, calibrating and checking equipment and instruments; testing equipment and instruments (except those for industrial use); drawing pens (except gold pens); pencils and stubs for technical drawing; charcoal for drawing.

Fish-hooks; fire-arms, except revolvers, pistols and military weapons.

Decalcomanias (only for industrial use); maps, hydrographic and similar charts, not bound.

Complete diving units; industrial gas-masks.

CATEGORY 4

Mother of pearl; ostrich or emu feathers, for industrial use; grey ambar; musk; sponges; wicker; guinea straw; vanilla extract; agar-agar and similar products; pectin; crude block plaster, for dentistry; plates and sheets of steel and iron more than six millimeters thick; nylon thread for hose manufacture.

Whole dried milk; fresh apples, pears and grapes; fresh plums; fresh cherries; fresh melons; shelled or unshelled almonds; shelled or unshelled filberts; foreign chestnuts; nuts with or without shell; dried fruits without sugar; olives; anise or plain sweet herbs; vanilla; cinnamon; cummin; cloves; nutmeg; dried whole peas unshelled, for industrialization; garlic; grain or powdered mustard.

Lead oxides; neutral sodium sulphate (Glauber salt); magnesium sulphate; calcium chloride; sodium hipochlorite; silver nitrate; calcium carbide; butyl alcohol; unsaturated acyclical and monohydrous alcohols; aromatic aldehydes and other cyclic aldehydes; ionones; dimethyl and di-butyl ether; phthalic anhydride; formic esters; benzyl acetate; benzoic esters (with certain exceptions); ethyl salicylate; butyl salicylate; geranyl salicylate; picric acid (tri-nitro-phenol); tanning extracts of vegetal origin; vegetal dyes; animal dyes, including natural colorant lacquers.

Telephone equipment, parts and accessories; electric dry cells, separate or in batteries; miniature lamps for bicycles, hand torches and similar uses; automobile lamps; electric suspension insulators, over 200,000-volt capacity, for transmission lines; machines and equipment for weaving, and making ribbon, lace, knitwear, embroidery, fringe; accessory machinery and equipment; shuttles for the textile industry; woodworking machinery, parts and accessories; presses, filters and other machines for the manufacture of beer, wine and similar products; machinery and equipment for the manufacture and refining of sugar; machines and equipment for the vegetal oil industry; machinery and equipment for the manufacture of cigarets, cigars and other tobacco products; typewriters, parts and accessories; calculating, accounting machines, cash registers and the like, including postal franking machines, with registering device and totaling device; perfurators, separators, tabulators and other machines to operate in conjunction with perfurable cards; duplicators, mimeographs and the like; addressing machines, including machines for stamping plates.

Taps; valves, regulators, and the like, made from common metals, for controlling the flow of liquids through tubes; parts and accessories, not specified, for sewing machines; equipment for heating, cooking, distilling, rectifying, sterilizing, pasteurizing, vaporizing, drying, evaporating, condensing, cooling and the like; cotton-presses, filter-presses, hydraulic presses and others not specified; laundry equipment; ovens, industrial furnaces and the like, non-electric, except for refractory types; calandrias for any purpose, including cylinders; machines for cleaning and drying bottles and drums; machines for filling, closing, labelling and capsulizing bottles, cans, cases and other recipients; machines for packing merchandise, not otherwise specified; machines for printing wallpaper, leather, etc; parts and accessories for bicycles; drive and transmission belts (of leather or hide); hide and leather articles for textile machinery, not specified; cork discs and stoppers, perfurated or otherwise, for bottles and flasks; emery wheels; corrugated sheets and plates, of iron and steel; plain and corrugated stainless steel sheets and plates; racks, points and other articles for transportation (communications) uses; except rails and accessories; welding material (electrodes, tubes and bars for welding, plated or otherwise); portable lamps and lanterns; photographic cameras for ordinary use, except box types; watch and clock parts; parts and accessories for pens and automatic pencils, except nibs and leads; nibs for writing, gilt, silvered, or plated with precious metals, for fountain pens (except gold); artificial teeth of porcelain; sheep gut for stringing tennis rackets.

CATEGORY 5

All products not specifically included in the foregoing categories.

Law Establishing Petrobrás is Approved by Vargas

Starting Capital is Cr$4 Billion

Provision is Made for Increase to Cr$10 Billion by 1957

Law No. 2004, establishing "Petróleo Brasileiro Sociedade Anonima" (Petrobras), was formally approved by President Getúlio Vargas on October 3, 1953. Under the terms of this law, the joint private and government-owned Brazilian corporation will operate with an initial capital of Cr$4 billion (equivalent to approximately $200 million). This capital will be increased to Cr$10 billion, or about $500 million, by 1957.

A free English translation of the law follows.

Text of Law

Law No. 2004, of October 3rd, 1953.

Makes provision concerning Brazil's oil policy and defines the powers of the National Petroleum Council, establishes the share company "Petróleo Brasileiro Sociedade Anônima" and institutes other measures.

The President of the Republic: I hereby make it known that the National Congress decrees and I sanction the following Law:

Chapter I — Preliminary Provisions:

Art. 1. The Union has a monopoly on:

I—Surveying and working of deposits of petroleum and other fluid hydrocarbons and rare gases existent in the territory of Brazil;

II—Refining of Brazilian or foreign petroleum;

III—Maritime transportation of crude petroleum of Brazilian origin or of petroleum derivatives produced in Brazil, as well as the transportation of crude petroleum and derivatives, through pipelines, as well as that of rare gases of any origin;

Art. 2. The Union shall exercise the monopoly established in the preceding article:

I—Through the National Petroleum Council, as a directing and supervising body;

II—By means of the share company Petróleo Brasileiro, S.A., and its subsidiaries, established in accordance with the present law as executive organizations.

Chapter II—The National Petroleum Council

Art. 3.—The National Petroleum Council, an independent organization, under the direct control of the President of the Republic, has as its purpose the supervision of measures concerned with Brazil's petroleum supply.

#1. Brazil's petroleum supply implies the production, import, export, refining, transportation, distribution and trade in crude petroleum, extracted from wells or obtained from shale, and derivatives thereof.

#2. The sphere of supervision of the National Council also includes the utilization of other fluid hydrocarbons and rare gases.

Art. 4.—The National Petroleum Council shall continue to be subject, as regards organization and operation, to existing legislation, together with the modifications resultant from the present law.

Sole paragraph. The President of the Republic shall issue new Regulations for the National Petroleum Council, bearing in mind the provisions of this article.

Chapter III—The Share Company "Petróleo Brasileiro S.A." (Petrobras) and its subsidiaries.

SECTION I — The constitution of Petrobras.

Art. 5.—The Union is authorized to establish, in accordance with the provisions of this law, a share company which shall be called Petróleo Brasileiro S.A., and shall use the abbreviation *Petrobras.*

Art. 6.—Petróleo Brasileiro, S.A., shall be intended for surveying, working, refining, trading and transportation of petroleum, extracted from wells or obtained from shale, and its derivatives, as well as any inter-related or similar activities.

Sole paragraph. The surveys and operations performed by the company shall conform to plans drawn up by itself and approved by the National Petroleum Council, without formalities, territorial restriction requirements and other measures considered as avoidable, in the light of decree law No. 3236, of 7th May, 1941, such being authorized by the Council in the name of the Union.

Art. 7.—The President of the Republic shall appoint by decree the representative of the Union for purposes of the measures formally establishing the company.

#1. The constitutional acts shall be preceded by:

I—Study and approval of the project for organization of the Company's basic services, both internal and external.

II — Compilation of Classified inventories, with full specifications, concerning the property and rights which the Union will bring in for the purpose of forming the capital.

III—Drawing up and prior publication of the Articles of Association, for public information

#2. The constitutional acts shall comprise:

I—Approval of the evaluation of the property and rights stipulated as the Union's capital.

II—Approval of the Articles of Association.

III—Approval of the plan for transfer of such services as are to be transferred from the National Petroleum Council to the company, and the respective funds.

#3. The company shall be established in a public session of the National Petroleum Council, and the minutes of such meeting shall contain the Articles approved, as well as an account and summary of the constitutional acts, especially as regards the appraisal of the property and rights converted into capital.

#4. The company's articles of association shall be approved by a decree of the Executive and the minutes shall be filed in the Trade Registration office (Registro do Comercio).

Art. 8. — Legal provisions for share companies shall be observed in whatever points are applicable, in the Articles of Association of the company. Revision of the Articles of Association, in those points which imply a modification of this law, will depend upon legislative authorization. In other cases, it shall be subject to approval of the President of the Republic, through issuance of a decree.

SECTION II — The capital of Petrobras.

Art. 9. — The company's starting capital shall be Cr$4,000,000,000 (four billion cruzeiros), divided into 20,000,000 (twenty million) ordinary, bearer shares of a value of Cr$200,00 (two hundred) cruzeiros) each.

#1. By 1957, the capital shall be raised to at least Cr$10,000,000,000 (ten billion cruzeiros) as provided in article 12.

#2. The company's shares shall be ordinary, with voting rights, and preferred, without voting rights in any case, the latter being inconvertible into ordinary shares, and the capital increases may be divided, wholly or partially, into preferred shares, the issuance of which shall not be governed by the restriction established in the sole paragraph of art. 9 of decree-law No. 2627, of 26th September, 1940.

#3. Preferred shares shall take priority in repayment of capital and the distribution of a minimum dividend of 5 per cent.

#4. The company's shares may be grouped into multiple blocks of 100 (one hundred) to 100,000 (one hundred thousand) shares, the Articles of Association regulating the grouping or sub-division in line with the shareholder's wishes.

Art. 10.—The Union shall take up the entire starting capital of the company, which shall be expressed in the form of ordinary shares, and in order to compose this capital shall avail of property and rights which it possesses, related to petroleum, including permission to utilize petroleum fields, bituminous and pyro-bituminous rocks and natural gases; it shall also, in all increases of capital, take up enough ordinary shares to assure it of at least 51 percent of the voting capital.

#1. If the value of the property and rights referred to in this article, as verified by appraisal approved by the National Petroleum Council, is insufficient to constitute the capital, the Union shall make up (the difference) in cash.

#2. In the circumstance considered in the preceding para-

graph, the National Treasury shall be authorized to make advances on revenue from taxation and contributions earmarked for formation of the company's capital, or to engage in advance credit operations, in expectation of revenue, up to a total of Cr$1,500,000,000 (one billion, 500 million cruzeiros).

#3. The Union shall transfer, without onus, to the States and Municipalities in whose territories petroleum fields or mines of bituminous and pyro-bituminous rocks are found, 8 per cent and 2 per cent respectively of the shares relative to the value attributed to these fields and under which they are incorporated into the capital of Petrobras, at time of formation or subsequently.

Art. 11. Transfers by the Union of shares or subscriptions for increase of capital by entities or persons to whom the law grants this right may not under any circumstance result in the reduction to a figure of less than 51 per cent of not only voting shares belonging to the Union but also of the Union's participation in the capital.

Sole paragraph: Any transfer or purchase of shares made in infringement of the terms of this article shall be null and void, and such nullification may be proposed by third parties, by common legal appeal (por meio de ação popular).

Art. 12.—The periodical increases in the Company's capital shall be effected with the funds mentioned in the following articles.

Art. 13—The part of the revenue from the sole tax on liquid fuels mentioned in article 3 of law No. 1749, of 28th November, 1952, shall be applied in the following manner:

I—The 40 per cent belonging to the Union, in company shares, until full provision is made for the integralization of the capital as provided in #1 of article 9, and, in the case may be, by the undertaking of commitments;

II—The 60 percent belonging to the States, Federal District and Municipalities shall be applied as follows:

a) In company shares until full provision is made for the composition of the capital, in accordance with plans approved by the National Petroleum Council, the participation of each entity being at least proportional to the respective quota of the sole tax;

b) In the taking of commitments by the company, or shares and commitments of subsidiaries, there being always guaranteed to the States, Federal District and Municipalities a participation proportional to the respective contributions, with due observance of the preference established in article 40.

Sole paragraph. The National Highway Fund quota attributed to the entities mentioned in part II above may be retained, if any obstacle is raised to the application of the percentage specified in the same paragraph, in accordance with the purposes and provisions stipulated in this article.

Art. 14—The funds obtained from the import duties and consumer duties on vehicles, automobiles and the tax on values remitted abroad, corresponding to the imports of these vehicles and their parts and accessories, is earmarked for the Union's underwriting of company shares and commitments.

Art. 15—Owners of automobiles, ships and airplanes shall pay annually, up to the 1957 fiscal year, the amounts stipulated in the attached tabulation, and shall receive, (with due consideration for the provisions of article 18), certificates which shall be replaced by preferred shares or commitments of the company, which shall contain an express declaration of this right, the Union's complete responsibility for the face value of such shares being guaranteed in any circumstances.

Sole paragraph: Proceedings relative to vehicles under the control of the Union may be carried out only after payment of the contribution mentioned in this article, the government establishing an agreement with the other public entities involved for collaboration in this respect, as regards the licensing and numbering of such vehicles, within the limits of their spheres of jurisdiction.

Art. 16.—The funds mentioned in articles 13, 14 and 15 shall be deposited in a special account or accounts in the Bank of Brazil.

#1. The Union, through a representative designated under the provisions of article 7, may dispose of funds earmarked by this law for Petrobras, prior to its establishment, in accordance with instructions from the Minister of Finance, in order to meet the respective expenses.

#2. Even if the shares corresponding to the increase of capital have not been distributed, the company may utilize the special accounts mentioned in this article.

Art. 17.—The company may issue bearer bonds, with or without Treasury backing, up to a limit of twice its paid up capital.

SECTION III — Petrobras shareholders.

Art. 18.—The company's articles of association, may, with due provision for preference to juridical entities of domestic public law, admit only the following classes of shareholders:

I—Juridical entities under domestic public law;

II—The Bank of Brazil and joint economy companies established by the Union, States or Municipalities which, in consequence of legal provisions, are under the permanent control of the Government;

III—Native-born Brazilian citizens or Brazilian citizens naturalized for more than five years, residing in Brazil in each case, and either single or married to Brazilian or foreign citizens otherwise than under terms of joint ownership of property or in any other fashion permitting the transfer of acquired rights during the marriage. Purchase of ordinary shares is limited to 20,000 (twenty thousand).

IV — Juridical entities under private law, organized with due observance of the provisions of article 9, sub-paragraph b of decree No. 4071, of 12th May, 1939, purchases of ordinary shares being limited to 100,000 (one hundred thousand).

V—Juridical entities under private law, of Brazilian nationality, composed only of persons as indicated in III, the purchase of ordinary shares being limited to 20,000 (twenty thousand).

SECTION IV—The Board of Directors and Board of Control of Petrobras.

Art. 19.—The Company shall be directed by an Administrative Council, with power of decision, and an Executive Board of Directors.

#1. The Administrative Council shall be composed of:

a) 1 (one) President appointed by the President of the Republic and removable *ad nutum*, with power of veto over the decisions taken by the Council and the Executive Board.

b) 3 (three) Directors appointed by the President of the Republic, with a three year term of office.

c) Counsellors elected by the juridical entities under public law, with execution by the Union, to a maximum of three, and a term of office of three years.

d) Counsellors elected by physical and juridical persons under private law, to a maximum of 2, and with a term of office of three years.

#2. The number of Counsellors shall be established as a proportion of one for each block of 7.5% of the voting capital of the company, subscribed for by the persons specified in sub paragraphs *c* and *d* of #1.

#3. The Executive Board shall be composed of a President and 3 directors appointed by the President of the Republic.

#4. Membership of the Council of Administration and the Board of Control may be exercised only by native-born Brazilian citizens.

#5. The presidential veto referred to in paragraph *a*) of #1 may be appealed *ex officio* to the President of the Republic, under a hearing by the National Petroleum Council.

#6. The three first directors shall be appointed for periods of 1, 2 and 3 years, respectively, the director's term of office ending each year.

Art. 20 — The Board of Control shall be composed of 5 (five) members, with a three-year term of office.

Sole paragraph — The Union shall elect one representative, and physical and juridical entities under private law one representative, and the remaining juridical entities under public law, three representatives, each group of shareholders representing one third of the votes being assured of the right to elect one member separately.

Art. 21—The Board of Control of Petroleo Brasileiro, S. A., shall have the powers indicated in arti-

cle 127 of decree law No. 2627, of 28th September, 1940, decree law No. 2923, of December 31st, 1940, being inapplicable to the case.

SECTION V—Privileges and obligations of Petrobras

Art. 22—The articles of association of the company, as well as those connected with the formation of the capital, the property it owns and its purchases of real estate and movables, and the documents embodying power to vote in General Assembly shall be exempt from taxes, dues and any other fiscal levies lying within the sphere of action of the Union, and the Union shall negotiate with the other public law companies involved, to obtain for the company in which they participate, reciprocal favors in their own spheres of activity.

Art. 23—The company shall be exempt from duties on imports for consumption, as well as from additional levies on machinery, spare parts and accessories, equipment, tools, instruments and materials for building, installation, expansion, improvement, operation, and maintenance of its installations.

Sole paragraph: All materials and merchandise mentioned in this article on which there are restrictive clauses favoring Brazilian products shall be despatched under special requests (portaria) addressed to the Customs inspectors.

Art. 24—The company is assured of the right to take action for expropriation, under the provisions of the existing legislation.

Art. 25—Dependent always upon prior specific approval by the National Petroleum Council, the company may only provide guarantees to financing obtained in Brazil or abroad, in favor of subsidiaries, and provided that, in the case of foreign capital, there is no secondary commitment (vinculção real) involved.

Sole paragraph. On loans obtained abroad, by the company and its subsidiaries, the Executive may provide Treasury guarantees of up to 25% of the respective paid up capital, when this is necessary on account of the size of the operation involved and in the presence of a situation of substantial interest to Brazil.

Art. 26 — The Shareholders General Assembly may establish percentages or bonuses on account of profits, for the company's Directorate, only when dividends have reached a proportion of at least 6%.

Art. 27 — The company and its subsidiaries are obligated to pay the States and Territories in which petroleum and bituminous shale are worked or natural gas is extracted, an indemnification equivalent to 5 per cent of the value of the oil, shale or gas extracted.

§1. The value of the oil and the bituminous shale shall be established by the National Petroleum Council.

§2. The payments referred to in this article shall be made quarterly.

§3. The States and Territories shall distribute 20% of what they receive, proportionately, to the Municipalities, in conformity with the production of oil in each of them, and this payment shall be effected quarterly.

§4. The States, Territories and Municipalities must, preferably, apply the funds stipulated in this article, in production of electric power and surfacing of highways.

Art. 28—The Union may require the company to perform services consistent with its purposes, and for which special funds are earmarked.

Art. 29—Rights relative to concessions and authorizations connected with mineral oil beds, refineries and pipelines received by the company from the Union shall be intransferrable, even in cases where Petrobras, for economic purposes, grants the right to use same to any of its subsidiaries.

Art. 30—Where there is no expropriation, Petrobras shall indemnify land owners at the proper value for damage caused through surveys or operation.

Art. 31—Petrobras shall, in line with directives from the National Petroleum Council, conform to minimum coefficient of oil reserves in the oilfields.

Art. 32—Petrobras and its subsidiaries shall send to the Accounting Tribunal, by May 31st each year, the general accounts of the company for the previous year, and the latter shall be submitted by the Tribunal to Congress and the Senate.

Sole paragraph: The Accounting Tribunal shall merely express its opinion on the accounts submitted to it. Congress, after taking the accounts and the Tribunal's opinion into consideration, without passing on them, may adopt in either house such measures as it considers suitable, in line with its supervisory duties.

Art. 33—The board of directors of Petrobras and any of its subsidiaries shall be obligated to provide such information as is requested of it by Congress, concerning its actions and decisions.

Art. 35—The articles of association of Petrobras shall contain specific standards for the participation of its employees in the company's profits, and the latter shall remain in general force until regulamentation of sub-paragraph IV of article 157 of the Constitution.

SECTION VI—Provisions relative to Petrobras personnel

Art. 36—Members of the armed forces and civil service employees of the Union and quasi-governmental organizations and joint-economy companies may hold administrative or technical posts in Petrobras, under the terms of decree law No. 6877, of 18th September, 1944, but may not obtain extra salaries, gratifications or any other advantages, under penalty of being considered to have relinquished their original posts.

Sole paragraph: If the National Petroleum Council reduces its staff, Petrobras shall give preference to the employees laid off, in filling posts on its own staff.

Art. 37 — The provisions of sub paragraph *c* of article 2 of decree law No. 538, of July 7, 1938, are not applicable to directors, employees and shareholders of Petroleo Brasileiro, S.A., and such employees and government employees as a whole, including those of the National Petroleum Council, may be shareholders.

Art. 38—The company shall contribute to the training of the technical personnel necessary for its operations, as well as that of skilled labor, by means of specialization courses, to be organized, and may also grant aid to Brazilian institutions of learning, or study grants for training abroad and other adequate measures.

SECTION VII—Petrobras subsidiaries

Art. 39—The company shall operate direct or through its subsidiaries, organized with approval of the National Petroleum Council, in which it shall always hold a majority of voting shares.

§1. In the composition of the remainder of the capital, the same standards established with regard to Petrobras shall be observed, that is, the proportions referred to in article 13, section II, subparagraph *b*, and the preference established in article 46.

§2. Administrative posts in the companies mentioned in this paragraph shall be held only by native-born Brazilian citizens, in all cases where the purpose involved is some activity connected with the petroleum industry.

§3. In the composition of the administrative and control bodies standards similar to those provided in this law shall be adopted, and in these too, entities subject to public law with salient interests in such subsidiaries shall be assured of representation on the boards.

Art. 40—The State in whose territory crude oil is refined or extracted or natural gas is obtained, shall be assured of preference, in company with its own municipalities, in participating in the subsidiary companies organized for refining or distribution, up to a proportion of 20 per cent of the capital involved.

Sole paragraph: Whenever the State producing petroleum or gas shows that it intends to avail of the preference indicated in this article, it shall receive from Petrobras, within the previously stipulated limits, such shares as it proposes to take up, and for the paying up of such shares, schedules and terms shall be established in advance in such a manner as to facilitate the State's collaboration, without impairing the interests involved in the establishment and operation of the subsidiary in which it is going to participate.

Art. 41—Petrobras, under authorization from the President of the Republic, issued in the form of a decree, and after prior con-

sultation with the National Petroleum Council, may associate, without being subject to the restrictions specified in article 39, with entities intended for operation in the oil industry outside Brazil, provided the participation of Brazil and of Brazilian entities in such cases is covered by treaties or agreements.

Art. 42—The provisions of articles 22, 23, 24, 33 and 36 are also applicable to the company's subsidiaries.

Chapter IV — Final provisions.

Art. 43—Refineries now in operation in Brazil are excluded from the monopoly established by this law. Concessions on pipelines are similarly maintained.

Art. 44 — Authorizations for the establishment and operation of refineries in Brazil, granted after June 30, 1952, shall not be affected, unless they are not in operation within the periods heretofore stipulated for the purpose.

Art. 45—No authorization shall be granted for the expansion of capacity of the refineries mentioned in the two preceding articles.

Art. 46—Petróleo Brasileiro, S.A., may, independent of special legislative authorization, participate as a shareholder in any of the refining companies mentioned in the preceding articles, for the purpose of converting them into its own subsidiaries.

Sole paragraph: In cases covered by this article, Petroleo Brasileiro, S.A., shall acquire at least 51% of the shares of each company.

Art. 47—Privately-owned tankers now used in special transportation of petroleum and petroleum derivatives shall be excluded from the monopoly hereby established.

Art. 48—Special contributions for survey and other purposes, for which obligations are assumed by concessionary firms under existing legislation, as well as the many that involving grantees of authorizations or concessions for any of the activities related to liquid hydrocarbons shall be intended for payment by the Union for shares and commitments of the company or its subsidiaries.

Art. 49—The Joint-economy companies mentioned by part II of article 18, in whose cases proof of Brazilian citizenship of shareholders is waived, are considered to include only those existing at the date of applicability of this law.

Art. 50—Whenever the National Petroleum Council has to take a decision on a matter of interest to the company, the president of the latter shall participate in the plenary sessions without voting rights.

Art. 51—When the regulations for this law are drawn up, the Executive shall establish the standards for the relationships between the company and the National Petroleum Council.

Art. 52—The balance of the budgetary provisions and supplementary credits of the National Petroleum Council, for the fiscal year during which Petrobras starts to operate, and which correspond to services, duties, operations, equipment and purchases, as well as any other similar amounts relative to activities which come to be under the company's action, shall be transferred to the latter as soon as it is established.

Sole paragraph: Such monies shall be credited to the Union's capital formation account.

Art. 53—48 per cent of the revenue from the single tax on fuels and liquid lubricants mentioned in law No. 1749, of 28th November 1952 shall be earmarked for the Federal District and the States, these revenues being broken down between products obtained from Brazilian raw materials or products imported or produced from imported crude.

I—That part of the revenue which is intended for undertakings connected with the oil industry (article 3 of law No. 1749 of 28th November 1952) shall be applied as stipulated in article 13 of this law.

II—That part of the revenue which earmarked for the National Highway Fund shall be applied in line with the provisions of law No. 302, of July 13, 1930 and law No. 1749, of November 28, 1952.

#1. Revenue resulting from products made from Brazilian raw material shall be distributed, in line with the provisions of the preceding sub-paragraphs, to the States and the Federal District, in the following manner:

1) 18% in proportion to surface area;
2) 36% in proportion to population;
3) 36% in proportion to consumption;
4) 10% in proportion to production of crude, shale or condensates.

#2. Revenue resulting from imported derivatives or made from imported crude shall be distributed to the States and the Federal District in the following manner:

1) 20% in proportion to surface area;
2) 40% in proportion to population;
3) 40% in proportion to consumption.

#3. The proportions of consumption established in the preceding paragraphs shall be calculated on the basis of the quantities consumed in each unit of the federation and not in line with the dues paid.

#4. The distribution of the quota of 12% of the single tax, for the municipalities, shall, insofar as is applicable, be carried out in line with the standards stipulated in the preceding paragraphs.

#5. The new standards for distribution, as established in this article, will be applicable from only 1954 onwards.

Art. 54—The National Highway Department shall spend on highway projects in the Federal territories each year a sum not lower than the quota that would be earmarked for each one, if it were to participate in the distribute established in article 53 of this law, based on the collections for the previous year.

Art. 55—Relations between Petrobras and its employees shall be governed by the provisions of the labor legislation of Brazil.

Art. 56—This law shall take effect on the date of publication, contrary provisions being hereby cancelled.

Rio de Janeiro, October 3, 1953, 132nd Year of Independence and 65th Year of the Republic.

(Signed) GETULIO VARGAS, Tancredo de Almeida Neves, Renato de Almeida Guillobel, Cyro Espírito Santo Cardoso, Vicente Ráo, Oswaldo Aranha, José Américo, João Cleofas, Antônio Balbino, João Goulart, Nero Moura.

The list referred to in article 15 is as follows:

A) Automobiles, including station wagons ("camionetas"):

a) Private:

Up to 1,000 kg. wt.	Cr$1,000
1,000-1,500 kg. wt.	2,000
1,500-1,800 kg. wt.	4,000
Over 1,800 kg. wt.	8,000

Note 1. Discounts shall be granted at the following rates:

20% on autos from 3 to 5 years old; 40% on autos from 5 to 7 years old; 60% on autos from 7 to 10 years old, and 80% on those more than ten years old.

Note 2. On jeeps and other vehicles of small value, used on farms, in forestry, mining and public utilities projects, the contribution basis shall be the same as that applicable to automobiles for hire, as indicated beneath:

b) For hire:

Up to 1,000 kg. wt.	Cr$1,000
1,000-1,500 kg. wt.	2,000
1,500-1,800 kg. wt.	4,000
Over 1,800 kg. wt.	8,000

Note: A discount of 50% shall be granted on vehicles more than 5 years old, with complete exemption for those weighing up to 1,000 kg. All such vehicles more than 10 years old are also exempt, and all vehicles in cases where the proprietor has only one vehicle and operates it direct.

B) Trucks and other cargo vehicles:

Up to 1 ton load	Cr$ 200
1 to 2 tons	400
2 to 5 tons	800
5 to 7 tons	1200
7 to 10 tons	1600
Over 10 tons	2000

Note: A discount of 50% shall be granted on vehicles more than 5 years old, with complete exemption for those up to 1 ton. All such vehicles more than 10 years old are also exempt, and all vehicles in cases where the proprietor has only one vehicle and operates it direct.

C) Omnibusses:

Up to 20 passengers	Cr$1600
21 to 30 passengers	2400
31 to 40 passengers	3200
41 passengers or more	4000

(Section D provides for a sliding scale of contributions on motor boats, private and commercial, with contributions ranging from Cr$200 to Cr$20,000.)

E) Airplanes:

a) For private or sporting use:

Up to 150 HP	Cr$ 5000
150 to 450 HP	10000
450 to 1000 HP	20000
1000 to 2000 HP	25000
Over 2000 HP	50000

b) For industrial or commercial use or special services:

Up to 150 HP	Cr$ 600
150-450 HP	2000
450-1000 HP	2000
1000-2000 HP	2600
Over 2,000 HP	5000

c) For training purposes: exempt.

OPPORTUNITIES IN BRAZILIAN TRADE

The Brazilian Government Trade Bureau has received the following inquiries from businessmen in Brazil, who desire to export or import the products listed below. These inquiries are published as received and no representation is made as to standings of listed firms. We suggest that the parties interested write directly to these firms, via airmail, as well as to this office, at 551 Fifth Avenue, New York 17, N. Y.

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SISAL FIBERS. Madeiros & Irmão Caixa Postal 107, João Pessôa, Paraíba, Brazil.

FRESH BANANAS. Alvaro de Mendonça Borba, Rua Sete de Abril 252, 3.°, sala 34, São Paulo, Brazil.

MANIÇOBA CRÉPE RUBBER, TEA, HERVA MATE, MICA, CRYSTALLIZED MENTHOL. José Kaselkovitz, Rua Guaicurús 1303, São Paulo, Brazil.

RICE, BABASSÚ KERNELS, CORN, CASHEW NUTS, TAPIOCA FLOUR, RICE MEAL, COTTONSEED OIL, BABASSÚ OIL, COTTON WASTE. Ruy Abreu & Cia., Caixa Postal 79, São Luiz, Maranhão, Brazil.

DRIED BANANAS. Representações SINGOR Ltda., Caixa Postal 1343, Pôrto Alegre, Rio Grande do Sul, Brazil.

BRAZILIAN TIMBER (in logs) of all kinds, UNSHELLED BRAZIL NUTS, ANIMAL SKINS, COCOA. J. de Oliveira Potock & Filho, Caixa Postal 404, Belém, Pará, Brazil.

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CASTORSEED, CARNAUBA WAX. Exportadora e Importadora do Ceará Ltda., Caixa Postal 855, Fortaleza, Ceará, Brazil.

COTTON WASTE, COTTON LINTERS, KAPOK, RAYON WASTE. Galbraith & Glycério Ltda., Caixa Postal 1950, São Paulo, Brazil.

JACARANDÁ WOOD. Instalações e Representações Magalhães Ltda., Rua Evaristo da Veiga 16, 7.°, Rio de Janeiro, Brazil.

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CASTORSEED, PEANUTS WITHOUT SHELLS. Irmãos Peres, Comércio e Indústria, S. A., Sala 1723, Rua São Bento 405, 17.° and, São Paulo, Brazil.

PROCESSED ANIMAL HAIR, WILD ANIMAL SKINS (Jaguatiricas, otters, leopards). Crinarte Ltda., Comércio, Indústria, Exportação, Caixa Postal 254, Ponta Grossa, Paraná, Brazil.

CAROÁ FIBER. Irmãos Khoury & Hedayioglu, Caixa Postal 56, Juazeiro, Bahia, Brazil.

BRAZILIAN No. 1 CASTOR OIL. Sociedade de Óleos Ltda., Rua Júlio Adolfo 3 (térreo), Salvador, Bahia, Brazil.

PINEWOOD, TAPIOCA FLOUR, PEARL SAGO, SASSAFRAS AND CASTOR OILS. Ernesto Mueller, Caixa Postal 277, Florianópolis, Santa Catarina, Brazil.

SISAL FIBERS, CASTOR OIL, MINERAL ORES. Francisco Melo & Filho, Avenida D. Pedro II, 144, João Pessôa, Paraíba, Brazil.

BRAZILIAN PINEWOOD, 60% in 1" thickness, 25% 1½", 15% 2", in 6, 8, 10 and 12" widths. Shipment from Itajaí, Santa Catarina. Manoel Jacinto Ferreira, Avenida Nilo Peçanha 12, 10.°, salas 1013/15, Rio de Janeiro, Brazil.

VEGETABLE OILS, ESSENTIAL OILS, VACCUM CATTLE HIDES, FIBERS, WAXES, COCOA BUTTER, OIL SEEDS, MENTHOL, etc. Thela Comercial, S.A., Praça Mauá 7, 12.°, Rio de Janeiro, Brazil.

COCOA, CAROÁ FIBER, SISAL FIBER, CASTORSEED, CASTOR OIL. Indústrias Reunidas Dafonte Ltda., Caixa Postal 1501, Recife, Pernambuco.

BABY CARRIAGES, BRAZILIAN-MADE. Indústria de Brinquedos Guaraní, Caixa Postal 232, Pôrto Alegre, Rio Grande do Sul, Brazil.

BRAZILIAN HARDWOODS (JACARANDÁ, CEDAR, PEROBA DO CAMPO, IPE TABACO, Others). Exportadora & Importadora Guavinipan Ltda., Caixa Postal 5444, Rio de Janeiro, Brazil.

TANNED ALLIGATOR PARTS (SIDES, NECKS, LIMBS, TAILS) AND ENTIRE SKINS. LAST CROP. SHIPPING SCHEDULE: MAY/JUNE AUGUST/SEPTEMBER. Fábrica de Artefatos de Couro Berco Ltda. Rua dos Inválidos 185, 1.°, Rio de Janeiro, Brazil.

BRAZILIAN HARDWOODS: JACARANDÁ and IPÉ-PEROBA. Buaiz, S.A., Caixa Postal 113, Vitória, Espírito Santo, Brazil.

DRIED BANANAS wrapped in **CELOPHANE.** Euclydes de Oliveira, Caixa Postal 1358, São Paulo, Brazil.

EQUIPMENT FOR BRICK-MAKING, WOOD-WORKING, RE-TREADING, VULCANIZING of TIRES. Máquinas Marek Ltda., Caixa Postal 48, Carazinho, Rio Grande do Sul, Brazil.

BRAZILIAN LIQUEURS, under brandnames **"OLIVETANO"** and **"ALKERMES",** Andrade & Bassi Ltda., Rua Xavier de Toledo 14, 6.°, sala 615, São Paulo, Brazil.

SELLERS WANTED

COMMERCIAL REFRIGERATION ACCESSORIES, COMPRESSORS, INDUSTRIAL MOTORS, LUBRICATING OILS, INDUSTRIAL GREASES. Companhia Brasileira Mercantil do Rio Grande, Caixa Postal 1237, Pôrto Alegre, Rio Grande do Sul, Brazil.

REPRESENTATIVES

U. S. manufacturers of **VITAMINS, VITAMIN COMPLEXES, HORMONES, ANTIBIOTICS** and **CHEMICAL PRODUCTS** are offered exclusive distribution in the State of Ceará by Vieira de Almeida Representações e Comércio, Caixa Postal 830, Fortaleza, Ceará, Brazil. Cable address: ALFARMA.

MISCELLANEOUS

Brazilian citizen with experience in U.S.A. seeks partner with one million cruzeiros (approx. US$25,000.00) for half interest in a coffee farm in the State of São Paulo unaffected by recent cold wave. Net profit of 10 to 15%, will increase with better management. Brazilian partner will manage. For details write to R. Gonzaga, Rua Sta. Cristina, 144 Apt. 303, Sta. Teresa, Rio de Janeiro, Brazil.